

A landscape photograph of a sunflower field under a blue sky with clouds. The sunflowers are in the foreground, and a line of trees is visible on the horizon.

National Rural Development Partnership Report to Congress

October 2004



**Transmittal Letter from the
National Rural Development Partnership
Executive Board
October 20, 2004**



Honorable Thad Cochran, Chairman
Committee on Agriculture, Nutrition
and Forestry
United States Senate

•
Honorable Bob Goodlatte, Chairman
Committee on Agriculture
US House of Representatives

Honorable Tom Harkin, Ranking Member
Committee on Agriculture, Nutrition
and Forestry
United States Senate

•
Honorable Charles W. Stenholm,
Ranking Member
Committee on Agriculture
US House of Representatives

Gentlemen:

The National Rural Development Partnership (NRDP) provisions of the 2002 Farm Bill require that the NRDP Governing Panel “shall prepare and submit to Congress an annual report on the activities of the Partnership”.¹ Although more than two years have passed since the enactment of the Farm Bill, many of its NRDP provisions are yet to be implemented, including the appointment of the Governing Panel (a multi-agency oversight and management body) and the filing of an annual report with Congress.

The NRDP Executive Board, the current coordinating body for the NRDP, has been asked by USDA/Rural Development to continue in place until the Governing Panel is appointed. Therefore, we are filing the NRDP report to Congress as called for in the Farm Bill. This document was not initiated or authorized by USDA, has not been subject to their review, and has not been produced using public funds. We have taken this step because we believe the work the NRDP and state rural development councils (SRDCs) have done over the last dozen years, and continue to do in nearly 40 states today is essential to the people of rural America. As such, we believe that it is imperative Congress be informed of the status of the implementation of the Farm Bill’s NRDP provisions. Decisions to limit funding and a reluctance to move expeditiously on the establishment of the Congressionally-mandated National Rural Development Coordinating Committee will soon result in the loss of an integrated and nationwide rural coordination and advancement infrastructure unless timely Congressional action occurs.

We are also filing this report with the Chairs and Ranking Members of the Senate Governmental Affairs Committee and the House Government Reform Committee because some of the recommendations contained in this report have implications for federal agencies beyond USDA.

Sincerely yours,
NRDP Executive Board
Mary Randolph, Chair

¹ 7 U.S.C. 2008m(b)(3)(B)

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Summary of the National Rural Development Partnership 2002 Farm Bill Implementation Recommendations

- USDA should immediately appoint the members of the National Rural Development Coordinating Committee (NRDCC) and make it operational.** Establishment of the NRDCC is essential for a number of reasons: it is the body that is to facilitate coordination of rural development efforts at the national level; it is to facilitate interaction between federal agencies and the state rural development councils (SRDCs); and it can be a vehicle for securing financial and other resources for the Partnership from federal agencies other than USDA. The NRDCC is to be composed of representatives of all federal agencies with rural responsibilities and representatives of appropriate national organizations. Congress, for more than three decades, has intended that USDA should take the lead in developing and coordinating rural policies and programs at the federal level. To date, USDA has not taken appropriate action to involve other federal agencies as evidenced by its failure to initiate and invite other federal agencies to participate as equal partners in the NRDCC as mandated by the 2002 Farm Bill.
- USDA should immediately move forward with establishing the National Rural Development Governing Panel and appointing its members.** Congress intended that the Governing Panel should be the leadership entity for the Partnership. The Governing Panel is to be composed of representatives of the SRDCs and the NRDCC.
- USDA should continue to allocate funds to the Partnership, particularly for the SRDCs and support staff for the NRDCC (NRDCC Policy Coordination Office), even though a specific appropriation has not been approved by Congress.** USDA has announced that it will discontinue funding for the Partnership after the current fiscal year, although it recently announced it would provide a small allocation of funds if other federal agencies continued to contribute. In recent years, USDA's share of funding for the NRDP has dropped from about \$5 million annually to \$2 million this year.
- USDA should immediately solicit financial and other support for the Partnership — particularly the SRDCs — from other federal agencies.** Several agencies have expressed an interest in providing assistance to the Partnership, but USDA has failed to aggressively pursue these opportunities. In 2001, six federal agencies provided funding to the NRDP.
- An executive order should be issued directing federal agencies to fully participate in the NRDCC and SRDCs as mandated by the Farm Bill's NRDP provisions and adequate travel funds should be allocated so that agencies' field staff can participate in the activities of the SRDCs.**

•**The robust federal/state/local government relationship that was so productive in the early years of the Partnership and essential to development of effective national rural policies must be re-established.** SRDCs should be models of federal/state cooperation and well-established working relationships with organizations that represent state and local governments should be integrated into the NRDCC.

Additional rural policy and program coordination recommendations:

•**A new study on opportunities for better coordinating rural policies and programs should be conducted by the General Accountability Office (GAO), the National Academy of Public Administration, or both jointly.** Because the last GAO study on this subject was completed a decade ago, it is essential that policy makers have more current information as they move forward with the restructuring of rural-serving programs. The 1994 GAO study found that many federal agencies develop and implement policies and programs that have an impact on rural areas, but that there was almost no coordination among these efforts.

•**The appropriate committees of Congress should examine the matter of rural policy/program coordination to determine why existing statutes are not being followed by Secretaries of Agriculture and if responsibility for such coordination should be transferred to the Presidential level, either through the Domestic Policy Council or the National Economic Council.** Because of the nature of this investigation, we believe the Senate Governmental Affairs Committee and the House Government Reform Committee should exercise co-jurisdiction with the Senate and House Agriculture Committees.

The Roots of the NRDP: A History of Rural Policy Coordination

The need to better coordinate efforts intended to improve the economic, civic and social condition of rural America has been recognized for almost a century. The coordination of rural policies and programs at all levels is needed more than ever because the resources needed to respond to the challenges faced by rural Americans are diminishing.

Highlights of efforts to coordinate rural policies and programs:

- 1908** – President Theodore Roosevelt appoints the Country Life Commission. The Commission’s report called for greater coordination between federal and state efforts on behalf of rural areas and recognized the interconnected nature of the elements that comprise rural communities.
- 1930s-1960s** – Many initiatives to improve the quality of life in rural America, but largely federal programs that lack coordination with state efforts.
- 1969** – Cabinet level Council for Rural Affairs established by President Nixon.
- 1972** – Enactment of the Rural Development Act of 1972, which led to the establishment of the interagency Assistant Secretaries Working Group for Rural Development.
- 1980** – Enactment of the Rural Development Policy Act which provides that “The Secretary of Agriculture shall provide leadership within the executive branch for, and shall assume responsibility for coordinating, a nationwide rural development program using the services of executive branch departments and agencies, including, but not limited to, the agencies, bureaus, offices, and services of the Department of Agriculture, in coordination with rural development programs of State and local governments.”
- 1985** – Enactment of the National Commission on Agriculture and Rural Development Policy Act. The Commission’s report called for a more strategic approach to rural development efforts.
- 1988** – National Governors’ Association issued its New Alliances report which called for increased collaboration between the states and the federal government in addressing rural needs.

- 1990** – President G.H.W. Bush’s Rural Development Initiative set forth a strategy to “Improve coordination of all federal, state, and local government rural development efforts.”
- 1990** – Establishment of the first six state rural development councils (SRDCs) are an outcome of the Initiative.
- 1992** – Report of the President’s Council for Rural America calls for the establishment of rural development coordination structures at the national and state levels, including formation of SRDCs in all states.
- 1994** – General Accounting Office issues report critical of uncoordinated rural development programs.
- 2000** – By the end of the 1990s, 40 state rural development councils have been established.
- 2000/2001** – National Rural Development Partnership Act introduced in Congress.
- 2002** – NRDP Act provisions included in 2002 Farm Bill.
- 2003/2004** – SRDC structural, programmatic, and financial changes called for by the 2002 Farm Bill are accomplished. By October 2004, 36 SRDCs receive full federal recognition from USDA, with a half dozen additional states awaiting final full certification. New SRDC council leadership is elected in many states and the executive directors in 19 states either retire, resign or are otherwise replaced. Most SRDCs continue operations despite significant cutbacks in annual federal funding (far short of the minimal funding envisioned for SRDCs in the 2002 Farm Bill).

Rural Policy Development in the United States: A Vision for the Future

Doing a better job of coordinating the creation and administration of rural policies and programs in the United States is an unfulfilled vision. Although Congress has been enacting laws mandating such coordination for more than three decades, and some Presidents have focused on this matter, the vision is still unfulfilled.

While the United States is a world leader in so many ways, its record of addressing rural opportunities and challenges is dismal compared to most other industrialized nations. Canada and most nations of the European Union have recognized that the rural areas of their countries require a special focus. In many cases — Canada and Austria, as examples — they have established structures to ensure that rural needs are taken into account when government policies and programs are developed. In addition, most of these countries have taken action to ensure that policies and programs that target or affect rural areas are coordinated so that their cumulative impact is multiplied.

The National Rural Development Partnership (NRDP) was envisioned as a way by which the United States as a whole, and rural America in particular, could benefit from collaborative thinking and action. The expected outcomes of this collaborative action were smarter policies and programs, greater leveraging of scarce resources, and increased inclusion of all sectors in decision making. Perhaps the most important benefit of this collaborative thinking and action was to be the empowerment of local populations to identify their own opportunities and challenges and to develop their own strategies for facing an increasingly challenging future.

As envisioned by the 1990 Presidential Initiative on Rural Development, elaborated on by the 1992 Report of the President's Commission on Rural America, the NRDP was to have parallel structures at the national and state levels. At each level, all public sector agencies, nonprofit organizations, and private sector interests with a stake in the future of rural America were to come together to share knowledge and ideas and to shape strategies together as partners. In addition, they were to share their resources and know-how in innovative and cost-effective ways.

Unfortunately, the NRDP structure has never been fully implemented and only limited funds have been provided to support its work. Nonetheless, many SRDCs have established solid records of achievement which provide a glimmer of the great things that could be done if the Partnership were fully empowered.

By formally authorizing the NRDP in the 2002 Farm Bill, Congress gave the NRDC and SRDCs unique and unprecedented authorities. The Farm Bill's Conference report set high expectations for the Partnership: we expect the NRDP, Congress said "to make significant progress toward the goal of better coordinating the rural policies and programs of federal agencies and developing greater collaboration between the federal government, the states, and others with resources to invest in rural areas." Today, more than two years after the enactment of the 2002 Farm Bill, the question arises: do Congress and the Executive Branch have the will and determination to act on this great vision? The people of rural America await the answer to this question.

Farm Bill Implementation Part I: The Strategic Assessment Task Force

Anticipating inclusion of the NRDP provisions in the 2002 Farm Bill, a task force was convened in the fall of 2001 to address how these provisions might be implemented. The task force issued a series of recommendations which addressed perceived weaknesses in the Partnership and specific reforms that could be made to prepare the Partnership to be the vital force Congress intended it to be.

The group, known as the NRDP Strategic Assessment Task Force (SATF), was composed of state rural development council (SRDC) leaders, NRDP national partners, and — especially important — outside experts not associated with the NRDP. This latter group included Congressional staff members, officials from federal agencies, and representatives of organizations of state and local governments and other interests.

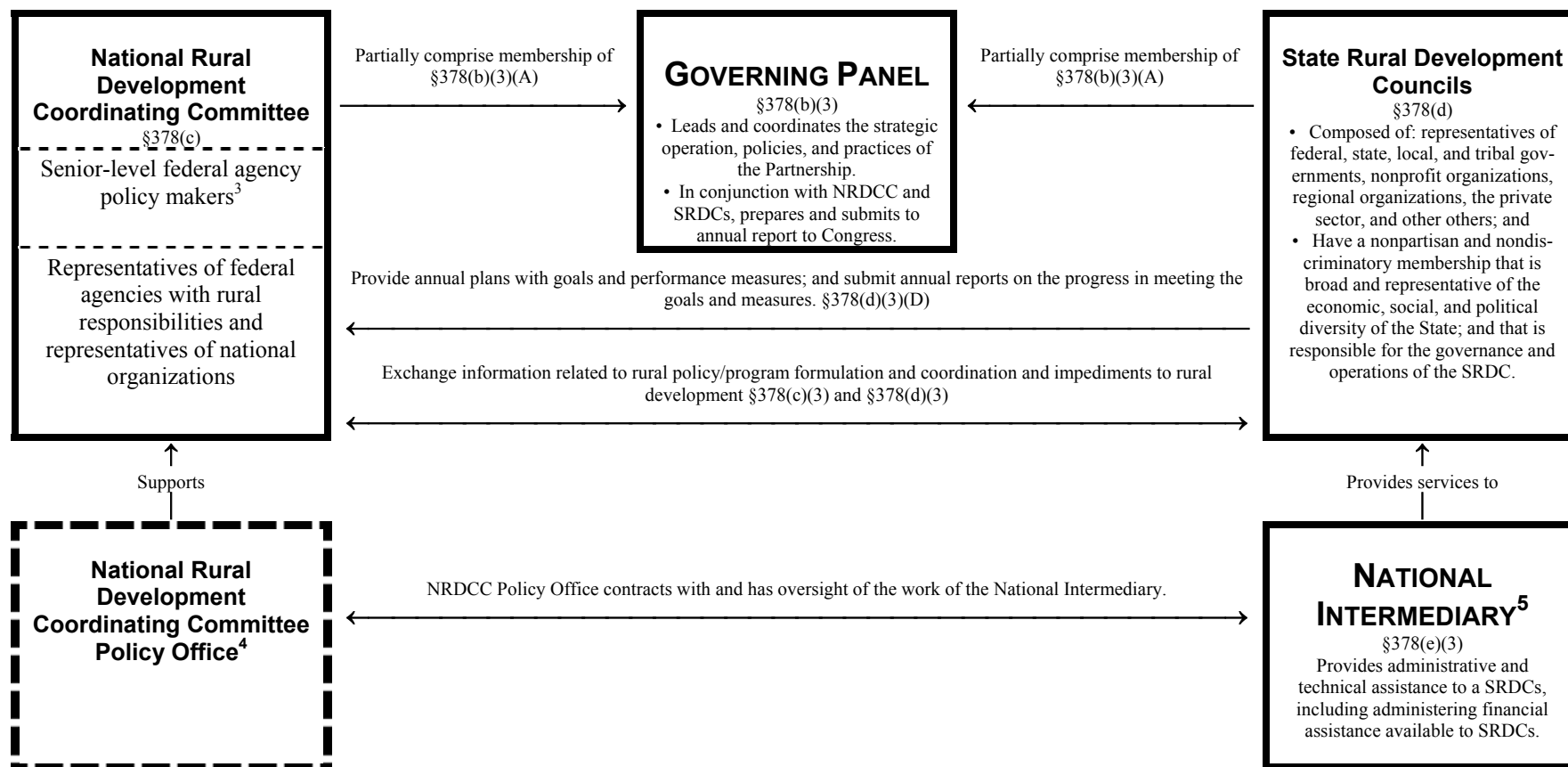
The SATF was a serious undertaking. The Task Force itself and its four committees met a total of 35 times, either in Washington, DC, or by telephone conference call between September 25, 2001, and December 19, 2001. The Task Force unanimously adopted its report on December 19, 2001, and the report was subsequently unanimously accepted by the Board of Directors of Partners for Rural America (representing the SRDCs) and the NRDP Executive Board (representing the broader Partnership) on January 3, 2002, and January 8, 2002, respectively.

The SATF included a total of 52 specific recommendations in four areas: SRDC and NRDP governance; the policy and program coordination role of the SRDCs; expected SRDC outcomes and accountability; and SRDC finances, including:

- Ensuring that SRDCs operated as independent bodies, with all appropriate parties having a seat at the table and governance being shared among them.
- Ensuring that SRDC executive directors meet high standards of knowledge, experience, and performance and that they be compensated accordingly.
- Ensuring that senior policy-level officials of federal agencies and national organizations serve on the National Rural Development Coordinating Committee (NRDCC) and that appropriate federal agency field staff participate in the SRDCs.
- Because a fully functioning NRDP will result in increased efficiency in the development and delivery of rural policies and programs and leveraging of resources, the federal government should continue to provide core funding to the SRDCs. The SATF set this amount at a minimum of \$180,000 per year per SRDC. In addition, SRDCs should be expected to augment their budgets from state and other sources.
- That strict accountability standards be established for the SRDCs to ensure that what they do makes a difference in the lives of the rural residents of their states.
- That Congress and the federal Executive Branch restructure the way they make and administer rural policies and programs.

The National Rural Development Partnership

Established by Section 6021 of Farm Security and Rural Investment Act of 2002²



² Statutory references below refer to sections within Subtitle D of the *Consolidated Farm and Rural Development Act* (7 U.S.C. 1981 et seq.), which the Farm Security and Rural Investment Act of 2002 amended to create the National Rural Development Partnership.

³ Would constitute the “Interagency Working Group” created by the *Federal Agriculture Improvement and Reform Act of 1996* and the “intergovernmental rural policy working group” called for by Section 6406 of the 2002 Act.

⁴ §378(e) provides for administrative support for the Partnership, either by USDA employees or the detailing of employees from other federal agencies (378(e)(1) and (2)). The proposed NRDC Policy Office would provide support for the policy coordination activities mandated by the statute, assist the NRDC in oversight of the SRDCs, and serve as the contracting agent for the proposed National Intermediary. Some of these functions are currently provided by the USDA National Partnership Office.

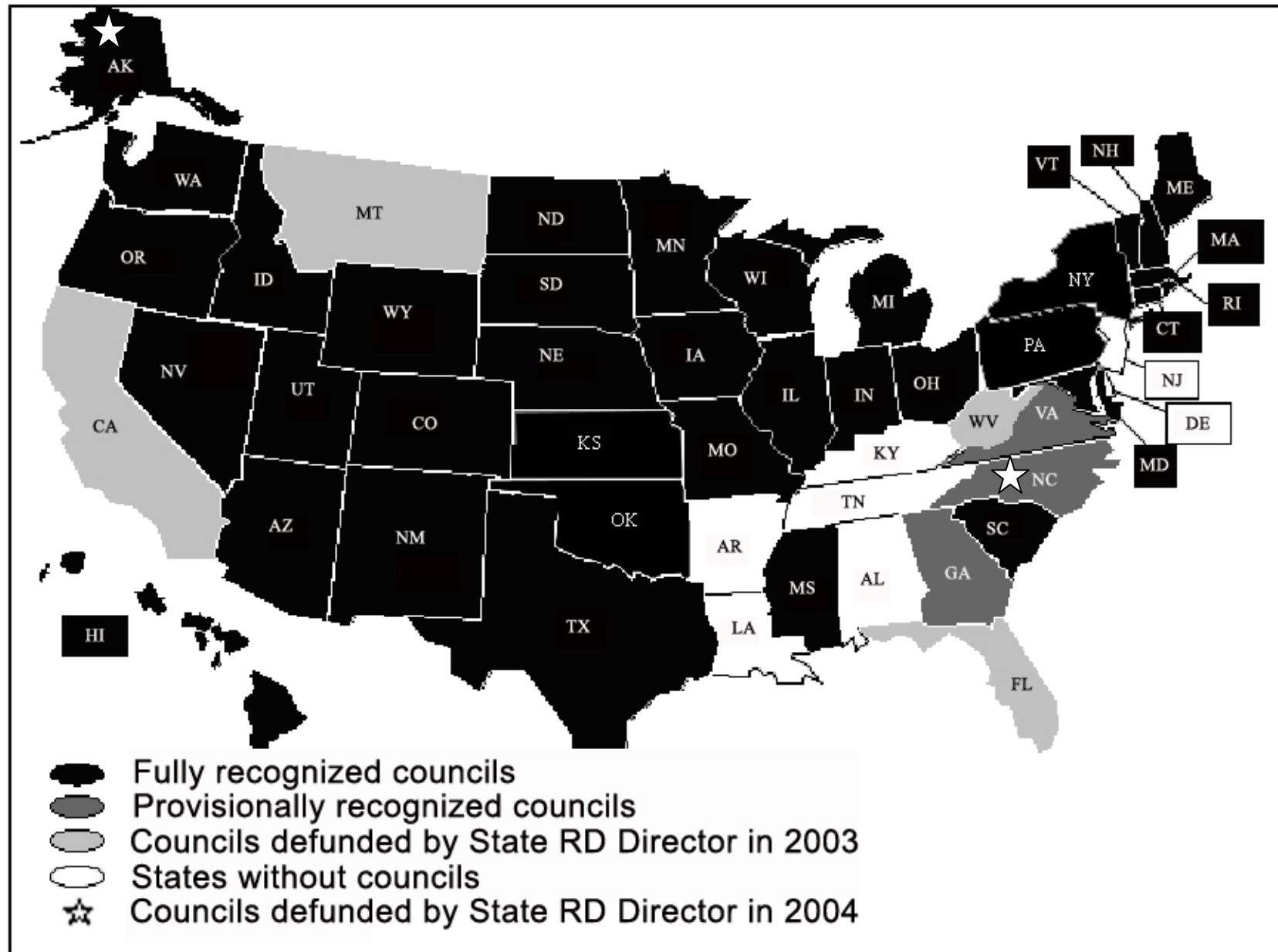
⁵ §378(e)(3) permits the USDA Secretary to “enter into a contract with a qualified intermediary under which the intermediary shall be responsible for providing administrative and technical assistance to a State rural development council, including administering the financial assistance available to the State rural development council.” Establishment of the intermediary is not mandated.

Farm Bill Implementation

Part II: USDA's Actions to Date

- USDA/Rural Development has moved administrative responsibility for the NRDP to the Office of Community Development and abolished the former free-standing program office.
- USDA/RD established a formal certification process for existing and potential new SRDCs. This process required that SRDCs meet certain governance, financial, planning, and outcomes standards in order to be eligible for future federal funding. The criteria established for this review generally comport with SRDC structural and operational standards outlined in the 2002 Farm Bill.
- To date, 36 SRDCs have received full federal recognition, and an additional four state councils have reviews pending. USDA/RD state directors in six states have made the individual decision to terminate funding for their SRDCs, causing four of these councils to discontinue operations.
- USDA/RD provided FY2004 funding to SRDCs at approximately one-third the level required to undertake the full program of responsibilities outlined in the Farm Bill. USDA has also failed to formally request funds that are available for the NRDP from other federal agencies. Nevertheless, nearly all SRDCs have made substantial progress in providing assisting rural communities, and many had several notable successes in affecting rural policy and program coordination, particularly at the state and local levels. Much more work needs to be done though on federal level policy and programmatic issues affecting rural communities.
- USDA/RD announced early in calendar year 2004 that it would not provide funding for the SRDCs for FY2005 and thereafter. Recently, however, USDA/RD modified its position by indicating it would provide funding for FY2005 if other federal agencies continued to do, but suggested it would limit its allocation of funds to perhaps as little as \$500,000. USDA/RD has also announced that it plans to continue supporting the SRDCs with non-financial resources in FY2005. It is not clear what form this assistance might meaningfully take, especially in the absence of a national level rural policy and program coordination infrastructure.
- In August 2004, USDA/RD finally requested the transfer of funds from the Departments of Veterans Affairs and Health & Human Services that had been allocated by those agencies for the NRDP some months ago. Much of these non-USDA funds (totaling about \$800,000) were distributed to SRDCs at year-end, thus providing for FY2004 about 40% of the total annual federal funding that was minimally needed for the existing SRDCs to effectively operate.
- USDA recently indicated that it expects to announce the formation of the National Rural Development Coordinating Committee (NRDCC), as called for in the Farm Bill, before the end of the calendar year.

Status of State Rural Development Councils



Matters Awaiting Action by USDA

- Establishing and appointing the members of the NRDP Governing Panel.** A working draft of regulations establishing the Governing Panel were forwarded to USDA/RD in August 2002 by the NRDP Executive Board and Partners for Rural America (PRA).
- Appointing the members of the National Rural Development Coordinating Committee and making it operational.** As with the Governing Panel, the Executive Board and PRA have provided detailed suggestions to USDA/RD as to how the NRDCC might appropriately be structured and operate.
- Establishment NRDCC Policy Coordination Office.** In order for the Congressional vision for the NRDP to be realized, adequate staff will have to be provided to coordinate the work of the NRDCC, to coordinate collaboration among federal agencies and national organizations, and to support the work of the SRDCs. Among other things, this office's tasks would include policy research, reviewing proposed legislation and regulations, coordinating meetings of NRDCC task forces, and capacity building to make the SRDCs an effective partner in the policy formulation process. Some of the people who staff the Office could be detailees from other agencies, as envisioned in the 2002 Farm Bill. In addition, some of the administrative functions related to the SRDCs could be delegated to an intermediary organization, also as envisioned by the Farm Bill.
- Engaging other federal agencies and national organizations.** While Congress has always expected USDA would be the lead agency in coordinating rural policy and programs across the federal government, Congress has also expected USDA to engage other federal agencies, national organizations that are focused on rural issues, the states, local governments, and others in this process. The White House, with the full support of Congress, should make clear to other federal agencies that they are expected to participate in this process, as mandated by the 2002 Farm Bill. USDA, while providing a leadership role, must be willing to share the decision making with others. By doing so, other agencies and organizations will be more willing to participate in the policy coordination process and to provide both human and financial resources to the NRDP.
- Committing to continued USDA funding for the NRDP.** As the Congressionally-mandated lead agency for rural policy and program coordination at the federal level, USDA should commit to continued funding for the NRDP in fiscal year 2005 and beyond. We believe this commitment should be a minimum of \$2 million for the SRDCs, as it has been for the past few fiscal years, and another \$1 million for the NRDCC Policy Coordination Office. In addition, we believe USDA/RD must aggressively pursue financial and other support from other federal agencies, as directed by the FY 2004 Agricultural Appropriations Conference Committee report.

Provisions of the Farm Security and Rural Investment Act of 2002 Related to the NATIONAL RURAL DEVELOPMENT PARTNERSHIP and STATE RURAL DEVELOPMENT COUNCILS (H.Rept. 107-424, P.L. 107-171)

SEC. 6021. NATIONAL RURAL DEVELOPMENT PARTNERSHIP.

Subtitle D of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981 et seq.) (as amended by section 5321) is amended by adding at the end the following:

“SEC. 378. NATIONAL RURAL DEVELOPMENT PARTNERSHIP.

“(a) DEFINITIONS.—In this section:

“(1) AGENCY WITH RURAL RESPONSIBILITIES.—The term ‘agency with rural responsibilities’ means any executive agency (as defined in section 105 of title 5, United States Code) that implements a Federal law, or administers a program, targeted at or having a significant impact on rural areas.

“(2) COORDINATING COMMITTEE.—The term ‘Coordinating Committee’ means the National Rural Development Coordinating Committee established by subsection (c).

“(3) PARTNERSHIP.—The term ‘Partnership’ means the National Rural Development Partnership continued by subsection (b).

“(4) STATE RURAL DEVELOPMENT COUNCIL.—The term ‘State rural development council’ means a State rural development council that meets the requirements of subsection (d).

“(b) PARTNERSHIP.—

“(1) IN GENERAL.—The Secretary shall continue the National Rural Development Partnership composed of—

“(A) the Coordinating Committee; and

“(B) State rural development councils.

“(2) PURPOSES.—The purposes of the Partnership are to empower and build the capacity of States and rural communities to design flexible and innovative responses to their own special rural development needs, with local determinations of progress and selection of projects and activities.

“(3) GOVERNING PANEL.—

“(A) IN GENERAL.—A panel consisting of representatives of the Coordinating Committee and State rural development councils shall be established to lead and coordinate the strategic operation, policies, and practices of the Partnership.

“(B) ANNUAL REPORTS.—In conjunction with the Coordinating Committee and State rural development councils, the panel shall prepare and submit to Congress an annual report on the activities of the Partnership.

“(4) ROLE OF FEDERAL GOVERNMENT.—The role of the Federal Government in the Partnership may be that of a partner and facilitator, with Federal agencies authorized—

“(A) to cooperate with States to implement the Partnership;

“(B) to provide States with the technical and administrative support necessary to plan and implement tailored rural development strategies to meet local needs;

“(C) to ensure that the head of each agency with rural responsibilities designates a senior-level agency official to represent the agency on the Coordinating Committee and directs appropriate field staff to participate fully with the State rural development council within the jurisdiction of the field staff; and

“(D) to enter into cooperative agreements with, and to provide grants and other assistance to, the Coordinating Committee and State rural development councils.

“(c) NATIONAL RURAL DEVELOPMENT COORDINATING COMMITTEE.—

“(1) ESTABLISHMENT.—The Secretary shall establish a National Rural Development Coordinating Committee within the Department of Agriculture.

“(2) COMPOSITION.—The Coordinating Committee shall be composed of—

“(A) 1 representative of each agency with rural responsibilities; and

“(B) representatives, approved by the Secretary, of—

“(i) national associations of State, regional, local, and tribal governments and intergovernmental and multijurisdictional agencies and organizations;

“(ii) national public interest groups;

“(iii) other national nonprofit organizations that elect to participate in the activities of the Coordinating Committee; and

“(iv) the private sector.

“(3) DUTIES.—The Coordinating Committee shall—

“(A) support the work of the State rural development councils;

“(B) facilitate coordination of rural development policies, programs, and activities among Federal agencies and with those of State, local, and tribal governments, the private sector, and nonprofit organizations;

“(C) review and comment on policies, regulations, and proposed legislation that affect or would affect rural areas and gather and provide related information;

“(D) develop and facilitate strategies to reduce or eliminate administrative and regulatory impediments; and

“(E) require each State rural development council receiving funds under this section to submit an annual report on the use of the funds, including a description of strategic plans, goals, performance measures, and outcomes for the State rural development council of the State.

“(4) FEDERAL PARTICIPATION IN COORDINATING COMMITTEE.—

“(A) IN GENERAL.—A Federal employee shall fully participate in the governance and operations of the Coordinating Committee, including activities related to grants, contracts, and other agreements, in accordance with this section.

“(B) CONFLICTS.—Participation by a Federal employee in the Coordinating Committee in accordance with this paragraph shall not constitute a violation of section 205 of 208 of title 18, United States Code.

“(5) ADMINISTRATIVE SUPPORT.—The Secretary may provide such administrative support for the Coordinating Committee as the Secretary determines is necessary to carry out the duties of the Coordinating Committee.

“(6) PROCEDURES.—The Secretary may prescribe such regulations, bylaws, or other procedures as are necessary for the operation of the Coordinating Committee.

“(d) STATE RURAL DEVELOPMENT COUNCILS.—

“(1) ESTABLISHMENT.—Notwithstanding chapter 63 of title 31, United States Code, each State may elect to participate in the Partnership by entering into an agreement with the Secretary to recognize a State rural development council.

“(2) COMPOSITION.—A State rural development council shall—

“(A) be composed of representatives of Federal, State, local, and tribal governments, nonprofit organizations, regional organizations, the private sector, and other entities committed to rural advancement; and

“(B) have a nonpartisan and nondiscriminatory membership that—

“(i) is broad and representative of the economic, social, and political diversity of the State; and

“(ii) shall be responsible for the governance and operations of the State rural development council.

“(3) DUTIES.—A State rural development council shall—

“(A) facilitate collaboration among Federal, State, local, and tribal governments and the private and nonprofit sectors in the planning and implementation of programs and policies that have an impact on rural areas of the State;

“(B) monitor, report, and comment on policies and programs that address, or fail to address, the needs of the rural areas of the State;

“(C) as part of the Partnership, in conjunction with the Coordinating Committee, facilitate the development of strategies to reduce or eliminate conflicting or duplicative administrative or regulatory requirements of Federal, State, local, and tribal governments; and

“(D)(i) provide to the Coordinating Committee an annual plan with goals and performance measures; and

“(ii) submit to the Coordinating Committee an annual report on the progress of the State rural development council in meeting the goals and measures.

“(4) FEDERAL PARTICIPATION IN STATE RURAL DEVELOPMENT COUNCILS.—

“(A) IN GENERAL.—A State Director for Rural Development of the Department of Agriculture, other employees of the Department, and employees of other Federal agencies with rural responsibilities shall fully participate as voting members in the governance and operations of State rural development councils (including activities related to grants, contracts, and other agreements in accordance with this section) on an equal basis with other members of the State rural development councils.

“(B) CONFLICTS.—Participation by a Federal employee in a State rural development council in accordance with this paragraph shall not constitute a violation of section 205 or 208 of title 18, United States Code.

“(e) ADMINISTRATIVE SUPPORT OF THE PARTNERSHIP.—

“(1) DETAIL OF EMPLOYEES.—

“(A) IN GENERAL.—In order to provide experience in intergovernmental collaboration, the head of an agency with rural responsibilities that elects to participate in the Partnership may, and is encouraged to, detail to the Secretary for the support of the Partnership 1 or more employees of the agency with rural responsibilities without reimbursement for a period of up to 1 year.

“(B) CIVIL SERVICE STATUS.—The detail shall be without interruption or loss of civil service status or privilege.

“(2) ADDITIONAL SUPPORT.—The Secretary may provide for any additional support staff to the Partnership as the Secretary determines to be necessary to carry out the duties of the Partnership.

“(3) INTERMEDIARIES.—The Secretary may enter into a contract with a qualified intermediary under which the intermediary shall be responsible for providing administrative and technical assistance to a State rural development council, including administering the financial assistance available to the State rural development council.

“(f) MATCHING REQUIREMENTS FOR STATE RURAL DEVELOPMENT COUNCILS.—

“(1) IN GENERAL.—Except as provided in paragraph (2), a State rural development council shall provide matching funds, or in-kind goods or services, to support the activities of the State rural development council in an amount that is not less than 33 percent of the amount of Federal funds received from a Federal agency under subsection (g)(2).

“(2) EXCEPTIONS TO MATCHING REQUIREMENT FOR CERTAIN FEDERAL FUNDS.—Paragraph (1) shall not apply to funds, grants, funds provided under contracts or cooperative agreements, gifts, contributions, or technical assistance received by a State rural development council from a Federal agency that are used—

“(A) to support 1 or more specific program or project activities; or

“(B) to reimburse the State rural development council for services provided to the Federal agency providing the funds, grants, funds provided under contracts or cooperative agreements, gifts, contributions, or technical assistance.

“(3) DEPARTMENT’S SHARE.—The Secretary shall develop a plan to decrease, over time, the share of the Department of Agriculture of the cost of the core operations of State rural development councils.

“(g) FUNDING.—

“(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$10,000,000 for each of fiscal years 2003 through 2007.

“(2) FEDERAL AGENCIES.—

“(A) IN GENERAL.—Notwithstanding any other provision of law limiting the ability of an agency, along with other agencies, to provide funds to the Coordinating Committee or a State rural development council in order to carry out the purposes of this section, a Federal agency may make grants, gifts, or contributions to, provide technical assistance to, or enter into contracts or cooperative agreements with, the Coordinating Committee or a State rural development council.

“(B) ASSISTANCE.—Federal agencies are encouraged to use funds made available for programs that have an impact on rural areas to provide assistance to, and enter into contracts with, the Coordinating Committee or a State rural development council, as described in subparagraph (A).

“(3) CONTRIBUTIONS.—The Coordinating Committee and a State rural development council may accept private contributions.

“(h) TERMINATION.—The authority provided under this section shall terminate on the date that is 5 years after the date of enactment of this section.”.

Joint Explanatory Statement of the Farm Bill Conference Committee

(11) National Rural Development Partnership

The House bill adds a new section to Subtitle E of the ConAct to establish a National Rural Development Partnership composed of the Coordinating Committee and the state rural development councils. (Section 615)

The Senate amendment amends Subtitle D of the ConAct to add the NRDP composed of the Coordinating Committee and the state rural development councils. (Section 611)

The Conference substitute adopts the Senate provision with an amendment clarifying the Senate language and authorizing up to \$10 million per fiscal year. (Section 6021)

The Conference substitute includes provisions which are intended to ensure the accountability of State Rural Development Councils (SRDCs) to the rural residents they are expected to serve and to agencies which provide financial support for their operations. The Managers specifically intend that all SRDCs will continue to abide by or come into compliance with the structural and process guiding principles of this section. The Managers also intend that USDA/Rural Development State Directors and other employees of USDA and other Federal agencies with rural responsibilities will fully participate as voting members in the governance and operations of SRDCs on an equal basis with other SRDC members.

The Managers expect the National Rural Development Coordinating Committee to make significant progress toward the goal of better coordinating the rural policies and programs of Federal agencies and developing greater collaboration between the Federal government, the States, and others with resources to invest in rural areas.

The Partnership has depended on voluntary contributions of discretionary funds from multiple Federal agencies to support its activities. This system has not met all of the needs of the SRDC. Accordingly, the Conference substitute contains an authorization for annual appropriations of \$10 million. The Managers encourage Federal agencies, whether or not they have contributed to the Partnership in the past, to financially support collaborative initiatives managed by SRDCs. The Managers specifically intend that all Federal funds that are provided to the SRDCs will be used solely for SRDC operations and projects and that the use of these funds will be controlled exclusively by the SRDCs' governing boards. The Managers also strongly urge SRDCs to identify additional sources of non-Federal funds to support their activities. SRDCs currently operate in 40 States. The Managers encourage the Secretary to work with the remaining 10 States to establish SRDCs.

The National Rural Development Partnership & State Rural Development Councils



“Facilitating Effective Policy and Program Coordination for Rural America”



Produced by the
National Rural Development Partnership Executive Board
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